Resolution authorizing the issuance and delivery of multifamily housing revenue bonds in an aggregate principal amount not to exceed $23,900,000 for the purpose of providing financing for the acquisition and construction of a 75-unit multifamily rental housing project known as Broadway Sansome Apartments; approving the form of and authorizing the execution of a trust indenture providing the terms and conditions of the bonds; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the forms of and authorizing the execution of certain loan documents; authorizing the collection of certain fees; ratifying and approving any action heretofore taken in connection with the bonds and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters.

WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "Board") desires to provide for a portion of the costs of the acquisition and construction by Broadway Sansome Associates, L.P., a California limited partnership (the "Borrower"), of a 75-unit residential rental development located at 235 Broadway Street, San Francisco, California, known as "Broadway Sansome Apartments" (the "Project"), to provide housing for persons and families of very low income through the issuance of revenue bonds; and

WHEREAS, The City and County of San Francisco (the "City") is authorized to issue revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of
California ("Health and Safety Code"), as now in effect and as it may from time to time hereafter be amended or supplemented (collectively, the "Act"); and

WHEREAS, The interest on the Bonds (hereinafter defined) may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, This Board is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code; and

WHEREAS, On June 26, 2012, this Board, in Resolution No. 249-12, approved the issuance of the Bonds for the purposes of Section 147(f) of the Code; and

WHEREAS, There has been prepared and presented to the Board for consideration at this meeting the documentation required for the issuance of the Bonds, and such documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board"); and

WHEREAS, It appears that each of the documents which is now before this Board, including an Indenture, a Loan Agreement, a Regulatory Agreement, a Subordination Agreement and an Assignment (each of which is defined and described below), is substantially in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

WHEREAS, The Bonds will be a limited obligation of the City, the sole source of repayment for which shall be payments made by the Borrower under the Loan Agreement together with investment income on certain funds and accounts held under the Indenture; and

WHEREAS, The Board finds that the public interest and necessity require that the City at this time make arrangements for the sale of the Bonds; and

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WHEREAS, The City has engaged Jones Hall, A Professional Law Corporation and Amira Jackmon, Attorney at Law, as co-bond counsel with respect to the Bonds ("Co-Bond Counsel"); and,

WHEREAS, Silicon Valley Bank (the “Bank”) has expressed its intention to purchase, or cause an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

RESOLVED, By this Board of Supervisors of the City and County of San Francisco as follows:

Section 1. Approval of Recitals. The Board hereby finds and declares that the above recitals are true and correct.

Section 2. Approval of Issuance of Bonds. In accordance with the Act and the Indenture (hereinafter defined), the City is hereby authorized to issue and deliver revenue bonds of the City, such bonds to be issued in one or more series and subseries, and designated as "City and County of San Francisco, California Multifamily Housing Revenue Bonds (Broadway Sansome Apartments), Series 2013A." or such other designation as may be necessary or appropriate to distinguish such series from every other series of bonds, in an aggregate principal amount not to exceed $23,900,000 (the "Bonds"), with an interest rate not to exceed twelve percent (12%) per annum for the Bonds, and which shall have a final maturity date not later than February 1, 2038. The Bonds shall be in the form set forth in and otherwise in accordance with the Indenture, and shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor") and attested by the manual or facsimile signature of the Clerk of the Board.

Section 3. Indenture. The Trust Indenture (the "Indenture"), by and between the City and U.S. Bank National Association, as trustee (the “Trustee”), in the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Mayor, Director of the Mayor's Office of Housing (the "Director") or any Authorized Representative of

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the City (as such term is defined in the Indenture) is hereby authorized to execute the
Indenture, approved as to form by the City Attorney of the City (the "City Attorney"), in
substantially said form, together with such additions thereto and changes therein as the City
Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 7
hereof.

Section 4. Regulatory Agreement and Declaration of Restrictive Covenants. The
Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory
Agreement"), between the City and the Borrower, in the form presented to the Board, a copy
of which is on file with the Clerk of the Board, is hereby approved. The Mayor, the Director or
any Authorized Representative is hereby authorized to execute the Regulatory Agreement,
approved as to form by the City Attorney, in substantially said form, together with such
additions thereto and changes therein as the City Attorney and Co-Bond Counsel may
approve or recommend in accordance with Section 7 hereof.

Section 5. City Loan Documents. The Loan Agreement by and among the City, the
Trustee and the Borrower (the "Loan Agreement"), the Subordination Agreement by and
between the City and the Trustee in favor of the Bank (the "Subordination Agreement"), and
the Assignment of Deed of Trust Documents from the City to the Trustee (the "Assignment"
and together with the Loan Agreement and the Subordination Agreement, the "City Loan
Documents"), in the forms presented to the Board, copies of which are on file with the Clerk of
the Board, are hereby approved. The Mayor, the Director or any Authorized Representative is
hereby authorized to execute the Loan Documents in substantially said form, together with
such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may
approve or recommend in accordance with Section 7 hereof.

Section 6. Issuer Fees. The City, acting through the Mayor's Office of Housing, shall
charge a fee for the administrative costs associated with issuing the Bonds in an amount not
to exceed 0.25% of the aggregate principal amount of the Bonds. Such fee shall be payable at
bond closing and may be contingent on the bond sale. The City shall also charge an annual
fee for monitoring the restricted units in an amount not to exceed 0.125% of the outstanding
aggregate principal amount of the Bonds, but no less than $2,500 annually, for the term of the
Regulatory Agreement. The initial monitoring fee shall be payable at bond closing. The Board
hereby authorizes the Mayor’s Office of Housing to charge and collect the fees described in
this section.

Section 7. Modifications, Changes, Additions. Any Authorized Representative
executing the Indenture, the Regulatory Agreement or the City Loan Documents (collectively,
the "City Agreements"), in consultation with the City Attorney and Co-Bond Counsel, is hereby
authorized to approve and make such modifications, changes or additions to the City
Agreements as may be necessary or advisable, provided that such modification does not
authorize an aggregate principal amount of Bonds in excess of $23,900,000, provide for a
final maturity on the Bonds later than February 1, 2038, or provide for the Bonds to bear
interest at a rate in excess of twelve percent (12%) per annum. The approval of any
modification, addition or change to any of the aforementioned documents shall be evidenced
conclusively by the execution and delivery of the document in question.

Section 8. Ratification. All actions heretofore taken by the officers and agents of the
City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and
ratified.

Section 9. General Authority. The proper officers of the City are hereby authorized and
directed, for and in the name and on behalf of the City, to do any and all things and take any
and all actions and execute and deliver any and all certificates, agreements and other
documents, including but not limited to those documents described in the Indenture, the City
Loan Documents and the Regulatory Agreement, which they, or any of them, may deem
necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

Section 10. File. All documents referenced herein as being on file with the Clerk of the Board are located in File No. 130177, which is hereby declared to be a part of this Resolution as if set forth fully herein.

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: HEIDI J. GEWERTZ
Deputy City Attorney
Resolution authorizing the issuance and delivery of multifamily housing revenue bonds in an aggregate principal amount not to exceed $23,900,000 for the purpose of providing financing for the acquisition and construction of a 75-unit multifamily rental housing project known as Broadway Sansome Apartments; approving the form of and authorizing the execution of a trust indenture providing the terms and conditions of the bonds; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the forms of and authorizing the execution of certain loan documents; authorizing the collection of certain fees; ratifying and approving any action heretofore taken in connection with the bonds and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters.

March 27, 2013 Budget and Finance Sub-Committee - RECOMMENDED

April 02, 2013 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 130177

I hereby certify that the foregoing Resolution was ADOPTED on 4/2/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Chamorro
Mayor

4/10/13
Date Approved